

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on February 18, 2003 at 9 A.M., in Room 303 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. John C. Bohlinger (R)
Sen. Jon Ellingson (D)
Sen. Jim Elliott (D)
Sen. Bill Glaser (R)
Sen. Dan Harrington (D)
Sen. Walter McNutt (R)
Sen. Mike Taylor (R)
Sen. Ken Toole (D)

Members Excused: None.

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Shirley Herrin, Committee Secretary

Video-taped Committee: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

Committee Business Summary:

Hearing & Date Posted: SB 407, 2/14/2003;
SB 379, 2/12/2003

HEARING ON SB 407

Opening Statement by Sponsor:

9:04 **SEN. BOB DE PRATU, SD 40, Whitefish,** "Income tax reduction with revenue from limited sales tax".

Proponents' Testimony:

9:09 **JUDY MARTZ, GOVERNOR OF MONTANA**
 9:14 Kurt Alme, Director, Department of Revenue reviewed **EXHIBIT(tas36a01)** in a power point presentation and referred to the "Brown Book" **EXHIBIT(tas36a02)** in his testimony. He presented further information in a packet **EXHIBIT(tas36a03), EXHIBIT(tas36a04), EXHIBIT(tas36a05)** and **EXHIBIT(tas36a06)**.
 9:36 Dave Gibson, Chief Business Officer, Governor's Office
 9:41 **SEN. ROBERT STORY, SD 12, Park City**
 9:45 **REP. JOE MC KENNEY, HD 49, Great Falls**
 9:48 Gerald McConnell, President, Jore Corp., Ronan **EXHIBIT(tas36a07)**
 9:54 Greg Gianforte, Pres/CEO, RightNow Corp, Bozeman **EXHIBIT(tas36a08)**
 10:01 Rick Reisig, CPA, Hamilton Misfeldt & Company P.C., Gt Falls, Past President of MT Society of CPA's
 10:04 George Olsen, CPA, Galusha Higgins & Galusha, Helena
 10:07 Turner Askew, Turner Askew & Assoc., Whitefish, **EXHIBIT(tas36a09)**
 10:09 David Johnson, CPA, Helena, Chairman of MT Society of CPA's Legislative Committee
 10:11 Mike Scholz, Buck's T-4 Lodge owner, Big Sky Montana President of MT Innkeepers Assoc. **EXHIBIT(tas36a10)**
 10:13 Marti Bara, Days Inn-Helena, Mgr., Vice President of MT Innkeepers Assoc. and member of Governor's Local Option Tax Advisory Committee. **EXHIBIT(tas36a11)**
 10:14 Carl Kochman, Great Falls, Board member- MT Innkeepers Assoc., MT Chamber of Commerce
 10:16 Bill Howell, West Yellowstone **EXHIBIT(tas36a12)**
 10:19 Timothy J. Bartz, President, Anderson-Zurmuehlen & Company **EXHIBIT(tas36a13)**
 10:21 John Lawton, Gt Falls City Manager, Tax Advisory Committee, MT League of Cities and Towns
 10:24 Elizabeth Harris, Whitefish, Pres. of JOBS NOW. She submitted a letter from the JOBS NOW Board of Directors **EXHIBIT(tas36a14)**
 10:27 Douglas J. Young, Professor of Economics, MSU, Bozeman **EXHIBIT(tas36a15)**
 10:33 Alicia Bradshaw, Exec. Dir, Gallatin Development Corp.

10:35 Jon Marchi, Governor's Income Tax Advisory Council,
Chairman, Big Sky Airlines, Rancher - Polson, MT
Ambassadors Taxation Committee Chairman
EXHIBIT (tas36a16)

10:41 Tom Harwood, Farmer, Toole County **EXHIBIT (tas36a17)**

10:49 Mark Staples, MT Tavern Assoc.

10:50 Tom Figarelle, Forward Montana

10:51 Barry "Spook" Stang, Exec. VP, MT Motor Carriers Assoc.

10:52 Haley Beaudry, Columbia Falls Aluminum Co.

10:53 Ronda Carpenter, MT Coin Machine Operators Assoc. and
Great Falls Chamber of Commerce

10:54 Mary Whittinghill, MT Taxpayers Assoc.

10:54 Jerome Anderson, Helena, Encore Acquisition Co.

10:55 Dennis Iverson, MT Contractors Assoc.

10:55 Candace Payne, MT Rental Car Assoc.

10:55 Peggy Trenk, MT Assoc. of Realtors

10:56 Steve Turkiewicz, MT Auto Dealers Assoc.

10:56 Gail Abercrombie, MT Petroleum Assoc.

10:56 Pat Keim, Burlington Northern/Santa Fee RR

10:57 Charles Brooks, Billings Chamber of Commerce

10:58 Riley Johnson, National Federation of Independent
Businesses

10:58 Mary Allen, Cenex Harvest States

10:59 Jake Cummins, MT Farm Bureau

10:59 John Cadby, MT Bankers Assoc. and 1st Interstate Bank

11:00 Keith Colbo, Exec. Dir., MT Independent Bankers

11:00 Webb Brown, MT Chamber of Commerce

11:00 John Bloomquist, MT Stockgrowers Assoc.

11:00 Cory Swanson, Plum Creek Timber Company

11:01 Rick Hays, Qwest

11:01 Bill Stevens, MT Food Distributors Assoc.

11:01 Jim Mockler, MT Coal Council

11:02 Carl Sweitzer, Bozeman and Kalispell Chambers of
Commerce

Opponents' Testimony:

11:02 Verner Bertlesen, Chairman, MT Senior Citizens Assoc.

11:05 Archie Nunn, President, MT Senior Citizens Assoc.

11:07 Tempie Daigle, Clancy, Self

11:11 Rev. Bob Holmes, Helena, Self

11:16 Gene Fenderson, MT Progressive Labor Council, Teamsters
Local # 190

Informational Witnesses:

11:20 Jean Johnson, MT Outfitters and Guides Assoc.

Questions from Committee Members and Responses:

11:23 Begin

12:04 Ended

41 min Time elapsed

Closing by Sponsor:

12:04 SEN. DE PRATU closed on SB 407

HEARING ON SB 379

Opening Statement by Sponsor:

12:07 SEN. JOHN COBB, SD 25, Augusta "Disallow most tax deductions and credits for two years".

Proponents' Testimony:

12:12 Gene Fenderson, MT Progressive Labor Council

Opponents' Testimony:

12:13 Tom Harwood, Galata, Self **EXHIBIT(tas36a18)**

Questions from Committee Members and Responses: None

Closing by Sponsor:

12:17 SEN. COBB closed on SB 379. **EXHIBIT(tas36a19)** and **EXHIBIT(tas36a20)**

ADJOURNMENT

Adjournment: 12:20 A.M.

SEN. BOB DEPRATU, Chairman

SHIRLEY HERRIN, Secretary

BD/SH

EXHIBIT (tas36aad)